
**FY 2006
COMMUNITY DEVELOPMENT ACTION GRANT
PROGRAM**

PROJECT APPLICATION



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I. DHCD's Mission Statement

The mission of the Massachusetts Department of Housing & Community Development (DHCD) is to strengthen cities, towns and neighborhoods to enhance the quality of life of Massachusetts's residents. To accomplish our mission, we will provide leadership, professional assistance and financial resources to promote safe, decent affordable housing opportunities, economic vitality of communities and sound municipal management. We will forge partnerships with regional and local governments, public agencies, community-based organizations and the business community to achieve our common goals and objectives. In all of these efforts, we will recognize and respect the diverse needs, circumstances and characteristics of individuals and communities.

DHCD is committed to:

- Funding programs and projects that primarily target populations of low to moderate incomes and those with special needs.
- Coordinated, integrated and balanced agency responses to address the comprehensive needs and interests of communities.
- Programs and technical assistance designed to facilitate informed decision-making at the local level, and to encourage self-sufficiency of residents and communities.
- Sound business practices that ensure the highest standards of public accountability and responsibility.
- Supporting projects that are consistent with the Commonwealth's Sustainable Development Principles (www.mass.gov/ocd/docs/SDPrinciples_color.pdf).

II. Commonwealth Capital Fund

Beginning on July 1, 2004 the CDAG Program became part of the Commonwealth Capital Fund (CCF). The CCF is under the direction of the Office for Commonwealth Development (OCD) which seeks: *to ensure the coordinated administration of state capital spending programs that affect development patterns so that state spending represents an investment in both projects that are consistent with sustainable development principles, and partnerships with municipalities that advance the Commonwealth's interests reflected in those principles.*

In support of this initiative OCD is now evaluating and scoring communities (i.e., not proposed projects) applying for CDAG funding using the Commonwealth Capital Application's Municipal Land Use Regulation & Policy Criteria (available from the OCD website at www.mass.gov/ocd/docs/comcap_application.pdf). Communities are scored on the use of their municipal powers to promote sustainable development and on their efforts to address the following Sustainable Development Principles:

1. Promote compact development.
2. Expand housing opportunities.
3. Reutilize brownfields and abandoned buildings.
4. Plan for livable communities.
5. Promote livable communities.

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6. Advance sound water policy.
7. Preserve working natural landscapes.
8. Promote sustainable development via other actions.

OCD reviews submissions and notifies individual communities of their Commonwealth Capital Application score within 30 days. Communities must submit their Commonwealth Capital Application to OCD prior to or at the same time as submission of their CDAG applications to DHCD.

The Commonwealth Capital Application score will comprise 20% of a CDAG application's total score. The remaining 80% of the CDAG application's score is derived from the CDAG Project Evaluation Criteria. While the Commonwealth Capital Application scores a community's use of its municipal powers to promote/achieve sustainable development, the CDAG Project Evaluation Criteria scores a proposed project on the degree to which it supports both CDAG statutory and program priorities and the Commonwealth's Sustainable Development Principles.

III. CDAG Program Overview

Under Massachusetts General Law Chapter 121B Section 57A, the Community Development Action Grant (CDAG) Program is authorized to fund community development projects (see definition in Attachment A) to revitalize and redevelop decadent, substandard and blighted open areas for public benefit and in the public interest consistent with the sound needs of communities. Any Massachusetts city or town, or under special circumstances two or more communities working together to address regional economic development needs, may submit an application. DHCD, through its Division of Community Services, is responsible for the administration and operation of the CDAG Program. This includes the review and approval of CDAG applications.

CDAG Project Eligibility

- Proposed projects must be publicly owned or managed.
- Public ownership or management is required for a period of not less than 30 years (i.e., the period of time that the state bonds issued to fund the program are outstanding).
- Individual CDAG awards are limited to a maximum of \$1 million.
- Proposed public projects must leverage a minimum of 1:2 local to CDAG funds.
- Proposed public projects must leverage private investment in the project area at a minimum of 2.5:1 private to CDAG funds and result in job creation.
- Proposed public projects must be ready to proceed within 120 days of award.

Please note that a CDAG funding request may include up to 10% in final engineering expenses and oversight for the project as supported by the project budget. However, no less than 90% of grant funds must be allocated to eligible capital costs for the project. Unlike certain federal and state grant programs the CDAG Program does not fund local administrative positions.

Jobs that relocate when an existing Massachusetts company moves from one community to another are not counted towards the job creation requirement under the CDAG Program. However, if the business can

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demonstrate that it is unable to expand operations at its original location and that it will increase its employment when it moves, then the new jobs created (i.e., not the relocated jobs) may be counted towards the CDAG job creation requirement.

IV. CDAG Application Process

1. All project applications must begin with a scheduled site visit or a project meeting. CDAG staff will meet with local staff and stakeholders (both public and private) to discuss the nature and scope of the proposed project and whether or not it is eligible for CDAG funding.
2. CDAG applications must be submitted to DHCD by the designated funding round deadline. Technical assistance is available to help communities prepare their applications.
3. Communities should submit their Commonwealth Capital Application to OCD prior to or at the same time as their CDAG application submission to DHCD.
4. The CDAG application will be evaluated by DHCD to ensure that all CDAG statutory and program requirements are met and that the project is eligible for funding.
5. Once DHCD determines that a proposed project is eligible for CDAG funding, it will review and score the application using the CDAG Project Evaluation Criteria.
6. An eligible CDAG project will receive an overall CDAG application score calculated from (a) the CDAG Project Evaluation Criteria (80%) and (b) the Commonwealth Capital Application (20%).
7. Recommendations for funding will be based on the degree to which proposed CDAG projects meet CDAG statutory and program priorities and on their combined CDAG Project Evaluation Criteria and Commonwealth Capital Application scores.

V. Application Deadline

The CDAG Application is due by 5:00 PM or the end of business on Thursday, February 17, 2005. Applications must be submitted to: CDAG Program, DHCD, 100 Cambridge Street, Suite 300, Boston, MA 02114. Applications must be submitted in triplicate; an original and two copies. Please contact Cyrus Field, CDAG Coordinator, at (617) 573-1449, if you have any questions.

VI. Availability of Funds

Funding for the FY06 CDAG Program is limited and DHCD expects a highly competitive application round. The State Legislature funds the CDAG Program through Housing Bond Bills. The availability of CDAG funding is based on an annual allocation of bond funds. Applicants will be notified by DHCD of the availability of funds, but should not assume these funds will be available to the applicant if the development project is unable to proceed in a timely fashion. Please note that DHCD reserves the right to delay the expenditure of an awarded grant by a community based on spending allocations and bond cap restrictions.

DHCD also reserves the right to decrease a funding request by a community to insure that the grant budget is reasonable and meets statutory and program requirements. DHCD reserves the right to solicit and verify



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information from other state and federal agencies and from private entities. Reviews of other sources of funding may result in the reduction or increase of a community's CDAG award based on the availability of other funds.

VII. Application Evaluation and Scoring Overview

CDAG applications will be accepted by DHCD according to annual funding rounds and availability of funds. The CDAG Project Application consists of three parts: CDAG statutory and program thresholds, CDAG Project Evaluation Criteria, and Commonwealth Capital Application.

Proposed projects that do not meet CDAG statutory or program thresholds will not be scored.

Once CDAG eligibility is established, DHCD will make funding recommendations for the CDAG Program based on:

1. The degree to which the proposed project meets CDAG statutory and program priorities:
 - Provides substantial employment or other direct benefit for low-income persons.
 - Significantly improves the condition of a low-income neighborhood.
 - Supports the production of affordable housing.
 - Supports/reinforces other community development investment by the Commonwealth.
 - Represents a special or unique opportunity to meet local priority needs.
 - Will have a significant impact on the economic condition of the community.
2. CDAG Project Evaluation Criteria score (80% of total score).
3. Commonwealth Capital Application's Municipal Land Use Regulation & Policy Criteria score (20% of total score).

CDAG PROJECT APPLICATION

Part A: STATUTORY AND PROGRAM THRESHOLDS

I. CDAG Project Summary

Provide a brief project summary as the cover sheet to the CDAG Project Application and include the following information:

- The project name or project identification.
- The amount of the CDAG application request.
- Total project costs.
- Total amount of the local match.
- Total amount of the private match.
- Total number of permanent FTE jobs that will be created by this project.
- A brief description of the proposed project including how CDAG funds will be spent and construction goals (e.g., linear feet or square feet of public improvements; # of housing units produced; # of parking spaces/floors in parking facility; size and type of public facility).
- Include the name, address, telephone number, fax number, and e-mail address of the community's contact person for this project/application.
- Attach a locus and site map reflecting total square or linear feet of the proposed project and its location.

All completed project application packets must be signed by the community's Chief Elected Official as follows: ***To the best of my knowledge, all information in this application packet is true and correct.*** This statement must be accompanied by the (a) Signature of the Chief Elected Official, (b) Date and (c) Title of Chief Elected Official.

II. CDAG Statutory Requirements

The following thresholds must be met to ensure that the CDAG application is in compliance with statutory and program requirements. Materials to document compliance are specified, as appropriate.

1. Public Hearing

Threshold: A public hearing relating to the proposed community development project has taken place before the appropriate municipal officers of the city or town. Applications should include:

- A copy of the published public hearing notice.
- Attendance sheet and minutes of the hearing.

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2. Official Certification

Threshold: Written determination from the municipality's Chief Elected Official or other authorized official that the project area is a decadent, substandard, or blighted open area (see Attachment A for definitions), including the date that the declaration was made.

3. Public Benefit Documentation

Threshold: The proposed project will be of public benefit, in the public interest and for a public purpose, consistent with the sound needs of the community as a whole, and any benefit to private entities or individuals will be indirect and incidental and not the purpose of the project. Applications should include:

- Documentation that the project addresses such community needs as job creation, business development, neighborhood stabilization, public health and safety, etc., as applicable.
- Descriptions of how any benefit to private entities or individuals is indirect and incidental and not the purpose of the CDAG-funded public project.
 - Attachments of relevant portions of the community's Master Plan, Economic Development Plan, Community Development Strategy, E.O. 418 Community Development Plan, Downtown Revitalization Plan, Urban Renewal Plan or other planning document that relates to this project and/or discusses this project's relationship to other community efforts/projects.

4. Need for Public Action

Threshold: The project area would not by private enterprise alone and without government subsidy or exercise of governmental powers be made available for redevelopment. Applications should include:

- Descriptions of previous public and private efforts to undertake the proposed project or related activities and their outcomes.
- Justification of why private enterprise cannot redevelop the project area without the proposed CDAG project.
- An independent market study supporting the feasibility of the private development project.
- Detailed private development costs based on engineering studies (attach studies if appropriate) and the current market price of land sales or leases, as applicable.
- A current property appraisal that establishes the private property's current undeveloped market value, as well as the projected value of the redeveloped private property.

5. Need for CDAG funds

Threshold: The CDAG grant request is both necessary and the minimum amount necessary to make the project feasible. Applications should include:

- A detailed line item "sources and uses" budget for the proposed CDAG project.
- Documentation that all other sources of funding to complete the proposed public project are/will be committed and available in the time period required by the CDAG funding round.
- A detailed contingency plan that outlines how higher than anticipated bids, cost overruns and unanticipated project costs will be funded with non-CDAG funds.

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- Identification/documentation of all other funding sources that were sought for this project but were denied.

6. Economic Feasibility of the Public & Private Projects

Threshold: The proposed public and private components of the project are economically feasible and are likely to be completed and to generate the number of new jobs projected. Applications should include:

- Preliminary design plans for the proposed project.
- Complete financing plans, including documented financial commitments from the municipality and from private sources for the proposed project.
- A description of the private sector development anticipated as a consequence of the proposed public development.
- A description of the proposed value of the property that will be added to the tax rolls as a result of the proposed public development.
- Identification of proposed owner(s) and developer(s) of the private development.
- Total investment costs for the anticipated private development.

7. Fiscal Impacts

Threshold: The proposed project will have a significant impact on the economic condition of the city or town, including the generation or retention of long-term employment. Applications should include information on:

- Total projected new permanent FTE employment resulting from the private development.
- Total projected FTE construction employment resulting from the private development.
- Current level of unemployment, low and moderate-income residents and per capita income.
- A description of how the proposed project will affect employment and income levels in the five years following project completion.
- A description of career path and salary ranges of jobs created for local residents.
- The impact of the project on long-term employment.
- Increases in local property tax revenues attributable to the proposed private sector development.
- Reductions in local tax revenues due to demolition for the proposed project or the associated private sector development.
- Any proposed payments in lieu of taxes related to the proposed project or the associated private sector development.
- Use of any tax incentive financing packages, including TIF and DIF, for the proposed project or the associated private sector development.
- Additional information relating to the impact of the proposed project and associated private sector development on the community's revenue.

Note: Job creation and retention projections must be accompanied by a description of how these projections were calculated/derived (e.g., industry standards, local comparables, interviews). The projections should be achievable within a relatively short time frame of from three to five years. Supporting documentation should include current unemployment, poverty and income statistics.

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8. Commitment of all other funds

- **Threshold:** Firm commitments of private and other public resources exist in the amounts sufficient, when added to the amount of the proposed grant, to render the project financially sound. Applicants should:
 - Document availability of all public funding awarded and available to meet the minimum required match of 1:2 local to CDAG funding.
 - Document availability of minimum leverage of 2.5:1 private to CDAG funding.
 - Describe all private participants, including their roles and commitment to the proposed project.
 - Attach copies of all award letters or authorizations and letters of commitment, as appropriate.
- a. Note: DHCD may require private sector financial statements and/or proof of funding commitments to insure that private participants have the liquidity to meet their financial obligations and to complete their related projects.

9. Site Control

Threshold: Evidence that the community currently owns or manages the project site (e.g., Certificate of Title or deed). The community must own or manage the project site at the time of application submission. Please note that CDAG funds may be used for land acquisition. In all cases, the project site must be publicly owned or managed for a period of not less than 30 years.

10. Permits and Approvals

Threshold: All permits and approvals, including any required zoning changes required for project implementation have been identified. Applications should include:

- Identification of all permits, approvals and zoning changes required for implementation of the proposed project.
- Evidence of the status of each permit and/or approval, and a copy of each permit and/or permit received-to-date, including clearance letters from the Executive Office of Environmental Affairs (MEPA) and the Massachusetts Historical Commission.

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Part B: CDAG PROJECT EVALUATION CRITERIA

The following CDAG project evaluation criteria are consistent with Sustainable Development Principles set forth by the Commonwealth and will be used to evaluate and prioritize projects eligible for CDAG funding. Each of the three criteria sections contains a number of elements, and points are given if an element applies to the project. If additional information is needed to address a specific element, it should be added as an addendum to the application and labeled as “CDAG Project Evaluation Criteria: Supplemental Information.” A project can score up to a maximum of 80 points in the evaluation criteria sections, which will be worth 80% of an application’s overall score. In order to ensure balanced access to CDAG program funding across the state, some elements will not be applicable to every project and a good score may be half of the available points.

Criteria 1. Increase job opportunities and foster sustainable businesses that conserve natural resources.

Healthy economic development is a critical component of sustainable communities, and families and individuals throughout the state are seeking opportunities to enhance their futures and to make their communities stronger and more competitive. Proposed projects for the CDAG Program should support the growth and expansion of existing businesses and/or attract new businesses with good jobs to locations near existing housing, infrastructure and transportation. For a business enterprise, fostering sustainable development means adopting business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining, and enhancing the human and natural resources that will be required in the future. The CDAG Program seeks projects that strengthen and support economic development in industry clusters consistent with local and regional character, and businesses that utilize land, energy, water and materials efficiently.

Projects will be evaluated using the following criteria on the degree to which they further the Commonwealth Sustainable Development Principles of:

- *Increase job opportunities.*
- *Foster sustainable businesses.*
- *Conserve natural resources.*

a.	The project provides significant new opportunities for local employment needs.	4
b.	Private development attributed to the project will have a significant positive impact on the economic condition of the community.	4
c.	The project supports retention and expansion of an existing business.	4
d.	The project supports economic development in an industry cluster that is consistent with the local and regional economy.	4
e.	The project incorporates “green building” standards and technology to provide energy and water savings, reduced waste, improved indoor environmental quality, and lower operations and maintenance costs.	4
Total Points:		

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Criteria 2. Redevelop first and promote concentrated development that provides transportation choices and expands housing opportunities.

The CDAG Program supports projects that encourage the revitalization of community centers and neighborhoods where public investments already exist in the form of infrastructure, parks, schools, and other facilities. These projects may include redeveloping contaminated brownfield sites, preserving and adapting historic structures into new uses, adding new infill development compatible with the surrounding neighborhood, and clustering new development around city/town centers and transportation nodes.

Compact development fosters physical environments that promote communities with a strong sense of place, drawing uses into closer proximity with each other and supporting broader transportation choices such as mass transit, bicycling and walking. The CDAG Program seeks projects that encourage development where a variety of transportation modes can be made available, as well as projects that expand housing opportunities for a broad range of incomes and for diverse populations.

Projects will be evaluated using the following criteria on the degree to which they further the Commonwealth Sustainable Development Principles of:

- *Redevelop first.*
- *Concentrate development.*
- *Provide transportation choice.*
- *Expand housing opportunities.*

a.	The project includes redevelopment of a brownfield site.	4
b.	The project includes preservation and adaptive reuse of an historic structure.	4
c.	The project includes the rehabilitation of existing infrastructure to support the revitalization of an existing town center or existing growth center.	4
d.	The project is located within an existing town center or existing growth center.	4
e.	The project connects with the surrounding neighborhood through public space and / or design features.	2
f.	The project is a mixed-use development that supports local housing, economic development and transportation goals.	4
g.	The project is a part of or located adjacent to an existing or planned intermodal or multimodal transportation facility.	4
h.	The project is located within ¼ mile of an existing or planned transit stop or facility.	2
i.	The project is oriented to pedestrians, including sidewalks for safe pedestrian access to any nearby open space and/or recreation areas.	2
j.	The project has minimized excessive paving and parking lots visible from the public right-of-way by incorporating underground parking and/or parking behind buildings.	2
k.	The project supports housing within a mixed-use development.	2
l.	The project supports housing for a broad range of incomes and population needs.	2
m.	The project supports housing located in city/town centers, near jobs, services and transit.	4
Total Points:		

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Criteria 3. Plan regionally and promote fair equitable development that respects the environment.

Careful regional planning and coordination is needed in communities across the Commonwealth to provide balanced, equitable approaches to managing traffic, protecting open spaces and dealing with other critical environmental issues. The CDAG Program seeks projects that support the development and implementation of regional plans, have broad public support, and are consistent with Sustainable Development Principles. Projects should demonstrate inclusive community planning to ensure social, economic and environmental justice. In addition, projects should support the preservation and expansion, quantity and quality of open space, promoting development that respects and enhances the state's natural resources.

Projects will be evaluated using the following criteria on the degree to which they further the Commonwealth Sustainable Development Principles of:

- *Plan regionally.*
- *Be fair.*
- *Restore and enhance the environment.*

a.	The project is consistent with local and regional plans.	4
b.	The project supports other community development investments made by the Commonwealth.	2
c.	The project represents a unique opportunity to meet local priority needs.	2
d.	The project increases the quantity, quality, and accessibility of open space.	2
e.	The project includes an inclusive community planning process to ensure social, economic and environmental justice is provided for in the project development phase.	2
f.	The project will provide a demonstrated benefit to low and moderate income neighborhoods.	2
g.	Private development occurring as a result of the project will add significantly to the local tax base.	2
h.	The project will support the restoration of environmentally sensitive lands, natural resources, wildlife habitats, and / or cultural and historic landscapes.	2
i.	The project minimizes adverse impacts on natural land and/or water resources proximal to the site, utilizing planning practices that support the conservation and enhancement of local natural resources.	2
	Total Points:	
	Overall Score:	

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Part C: COMMONWEALTH CAPITAL APPLICATION'S MUNICIPAL SCORECARD

The Commonwealth Capital Application scores an individual community on the overall use of its municipal powers to promote sustainable development in planning and implementation. Communities should submit their scorecard, which will count for 20% of the overall application score, directly to the Commonwealth of Massachusetts Office of Sustainable Development. The Commonwealth Capital Application's Municipal Land Use Regulation & Policy Criteria should be submitted to OCD no later than the due date for the CDAG application. Communities that have not submitted their Commonwealth Capital Applications by that date will not be eligible for any portion of the total points (20% of the score) tied to the application score.

Please note that Commonwealth Capital Application forms and technical assistance should be requested directly from OCD: 617-626-4949; commcap@massmail.state.ma.us; or http://www.mass.gov/oed/docs/comcap_application.pdf.



Attachment A

GENERAL LAWS OF MASSACHUSETTS

Chapter 121B: Section 1. Definitions.

"Blighted open area", a predominantly open area which is detrimental to the safety, health, morals, welfare or sound growth of a community because it is unduly costly to develop it soundly through the ordinary operations of private enterprise by reason of the existence of ledge, rock, unsuitable soil, or other physical conditions, or by reason of the necessity for unduly expensive excavation, fill or grading, or by reason of the need for unduly expensive foundations, retaining walls or unduly expensive measures for waterproofing structures or for draining the area or for the prevention of the flooding thereof or for the protection of adjacent properties and the water table therein or for unduly expensive measures incident to building around or over rights-of-way through the area, or for otherwise making the area appropriate for sound development, or by reason of obsolete, inappropriate or otherwise faulty platting or subdivision, deterioration of site improvements or facilities, division of the area by rights-of-way, diversity of ownership of plots, or inadequacy of transportation facilities or other utilities, or by reason of tax and special assessment delinquencies, or because there has been a substantial change in business or economic conditions or practices, or an abandonment or cessation of a previous use or of work on improvements begun but not feasible to complete without the aids provided by this chapter, or by reason of any combination of the foregoing or other condition; or a predominantly open area which by reason of any condition or combination of conditions which are not being remedied by the ordinary operations of private enterprise is of such a character that in essence it is detrimental to the safety, health, morals, welfare or sound growth of the community in which it is situated.

"Community development project", a work or undertaking on property which is publicly owned or managed for the installation, improvement, construction, alteration, enlargement, repair, rehabilitation, remodeling or reconstruction of buildings or other structures, facades, streets, roadways, thoroughfares, sidewalks, rail spurs, utility distribution system, water and sewer lines, parks, playgrounds, for site preparation and improvements, including demolition of existing structures, relocation assistance and for other like improvements necessary or desirable for the revitalization of the area in which the project is located or the acquisition of property on which any of the foregoing is being or will be undertaken.

"Decadent area", an area which is detrimental to safety, health, morals, welfare or sound growth of a community because of the existence of buildings which are out of repair, physically deteriorated, unfit for human habitation, or obsolete, or in need of major maintenance or repair, or because much of the real estate in recent years has been sold or taken for nonpayment of taxes or upon foreclosure of mortgages, or because buildings have been torn down and not replaced and under existing conditions it is improbable that the buildings will be replaced, or because of a substantial change in business or economic conditions, or because of inadequate light, air, or open space, or because of excessive land coverage or because diversity of ownership, irregular lot sizes or obsolete street patterns make it improbable that the area will be redeveloped by the ordinary operations of private enterprise, or by reason of any combination of the foregoing conditions.

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"Substandard area", any area wherein dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities or any combination of these factors, are detrimental to safety, health or morals.

For a complete review of the Definitions, please refer directly to the statute.

Chapter 121B: Section 57A. Community development projects; application for grants; notice; rules and regulations.

Section 57A. (a) Any eligible city or town, acting by and through its municipal officers or by and through any agency designated by such municipal officers to act on their behalf, including but not limited to its urban renewal agency, may apply to the department for a grant in a specific amount to fund a specified community development project. Said grants shall be in addition to the assistance otherwise made available under this chapter and to other forms of local, state and federal assistance.

(b) No application for a community development action grant shall be made until a public hearing relating to the proposed community development project has been held after due notice before the appropriate municipal officers of the city or town. The department shall not approve any community development project unless it shall have found that: --

- (1) The project area is a decadent, substandard or blighted open area.
- (2) The project will be of public benefit, in the public interest and for a public purpose, consistent with the sound needs of the community as a whole, and any benefit to private entities or individuals will be indirect and incidental and not the purpose of the project.
- (3) The project area would not by private enterprise alone and without either government subsidy or the exercise of governmental powers be made available for redevelopment.
- (4) The amount of the grant to be provided appears to be the minimum amount necessary to make the project feasible.
- (5) The project will have a significant impact on the economic condition of the city or town, including the generation or retention of long-term employment.
- (6) There exist firm commitments of private or other public resources in amounts sufficient, when added to the amount of the proposed grant, to render the project financially sound.

Within a reasonable time after application of a grant, the department shall give written notice to the applicant of its decision with respect to the application.

(c) The department may promulgate such rules and regulations as are necessary to effectuate the objectives of this section. In establishing criteria for the purpose of making grants under this section, the department shall include but not be limited to the following:--

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- (1) the comparative degree of economic distress among applicants;
 - (2) the comparative degrees of physical deterioration of the areas in question;
 - (3) demonstrated performance of the eligible entity in housing and community development programs;
 - (4) impact of the proposed community development project on the special problems of low and moderate income persons and minorities;
 - (5) the extent of financial participation by other public or private entities;
 - (6) the extent to which the project represents a special or unique opportunity to meet local priority needs;
 - (7) the impact of the proposed project on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood in which the project is to be located; and
 - (8) the feasibility of accomplishing the proposed project in a timely fashion within the grant amount available.
- (d) The department shall give priority to applications for grants which promise to (1) provide substantial employment or other direct benefit for low-income persons; (2) significantly improve the condition of a low-income neighborhood; (3) provide reinforcement for other housing or other community development-related investments by the commonwealth; or (4) combine the aforementioned characteristics.